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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/823,819	03/30/2001	Michael Kirkwood	50325-0528	6610

29989 7590 11/30/2004

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EXAMINER

GODDARD, BRIAN D

ART UNIT	PAPER NUMBER
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2161

DATE MAILED: 11/30/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No. 09/823,819	Applicant(s) KIRKWOOD ET AL.	
	Examiner Brian Goddard	Art Unit 2161	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 17 September 2004.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 3, 5-27, 29-45, 49, 53 and 57-65 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☒ Claim(s) 49, 53, 57 and 60-65 is/are allowed.
- 6) ☒ Claim(s) 5-27, 29-45 and 58 is/are rejected.
- 7) ☒ Claim(s) 3 and 59 is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 06 July 2001 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|----------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| Paper No(s)/Mail Date <u>6/25/04</u> . | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

1. This communication is responsive to the Amendment filed 17 September 2004.
2. Claims 3, 5-27, 29-45, 49, 53 and 57-65 are pending in this application. Claims 25, 49, 53, 57, 58, 60, 62 and 64 are independent claims. In the Amendment filed 17 September 2004, claims 1-2, 4, 28, 46-48, 50-52 and 54-56 were cancelled; claims 58-65 were added; and claims 3, 5-8, 10-12, 14, 16, 21-23, 25-27, 29, 31, 32, 44, 49, 53, and 57 were amended. This action is made Final.

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

3. Claims 5-27, 29-45 and 58 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

The basis of this rejection is set forth in a two-prong test of:

- (1) whether the invention is within the technological arts; and
- (2) whether the invention produces a useful, concrete, and tangible result.

For a claimed invention to be statutory, the claimed invention must be within the technological art. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, use, or advance the technological art fail to promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences, for example) and therefore are found to be non-statutory subject matter. For a method claim to pass muster, the recited process must somehow apply, involve, use, or advance the technological arts.

As to technological arts recited in the preamble, mere recitation in the preamble (i.e., intended or field of use) or mere implication of employing a machine or article of manufacture to perform some of the recited steps does not confer statutory subject matter to an otherwise abstract idea unless there is positive recitation in the claim as a whole to breathe life and meaning into the preamble. In *Bowman* (Ex parte *Bowman*, 61 USPQ2d 1665, 1671 (BD. Pat. App. & Inter. 2001) (Unpublished), the board affirmed the rejection under U.S.C. 101 as being directed to non-statutory subject matter. Although *Bowman* discloses transforming physical media into a chart and physically plotting a point on said chart, the Board held that the claimed invention is nothing more than an abstract idea, which is not tied to any technological art or environment.

In the instant case, although the claimed subject matter appears to be within the technological arts by applicants' amendment, it fails the second prong in that it produces no concrete or tangible result. Referring primarily to independent claims 25 and 58, the claims recite methods of processing data including steps of generating and storing categories, concepts and relationships, presumably by the "machine." These methods, even "machine-implemented," constitute a mere manipulation of data that does not produce a useful, concrete **and** tangible result. Stored data is neither concrete nor tangible. Thus, "generating" and "storing" data does not constitute producing a concrete and tangible result. The data may be manipulated and stored by the "machine," but it never leaves the machine or otherwise causes the machine to produce a concrete, tangible and useful result. Therefore, the claims cannot be classified into any of the categories of statutory subject matter provided above.

Dependent claims 5-24, 26-27 and 29-45 fail to make up for the deficiencies of independent claims 25 and 58. These method claims constitute a mere manipulation of data, and do not produce a useful, concrete and tangible result. Therefore, the claims cannot be classified into any of the categories of statutory subject matter provided above.

Allowable Subject Matter

4. Claims 49, 53, 57 and 60-65 are allowed.

5. Claims 3 and 59 are objected to as being dependent upon a rejected base claim, but would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims.

6. The following is a statement of reasons for the indication of allowable subject matter:

Neither Goiffon nor Leschner, taken alone or in combination, provide disclosure to teach or suggest the generating and storing of three concepts belonging to categories and having interrelationships as required by each of independent claims 49, 53, 57, 60, 62 and 64 for reasons specifically addressed by applicants' remarks on pages 22-24 of the response filed 17 September 2004. None of the prior art of record, taken alone or in combination, teaches or suggests the particulars of these claims.

Claim 59 (from which claim 3 depends) recites statutory subject matter by providing a method step that produces a useful, concrete and tangible result. This additional step makes the method a statutory process. Therefore, the claim(s) would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims for reasons similar to those regarding claims 49, 53, 57 and 60-65.

Response to Arguments

7. Applicant's arguments on pages 19-20 of the response filed 17 September 2004 regarding the Section 101 rejection have been fully considered but they are not persuasive.

Applicants argued that (1) the Office Action does not cite any legal authority for the basis of the rejection, and (2) that the claims as amended recite a process and a machine, both of which are statutory under Section 101.

The examiner disagrees for the following reasons: Regarding (1), 35 U.S.C. § 101 is the legal authority for the basis of the rejection, and the relevant portions of Section 101 were cited in the Office Action of 14 June 2004. The statutory language has been repeated above for applicants' convenience. Regarding (2), the claims in question recite a method, and cannot be considered a statutory machine. Even though the steps of the method are claimed as being "machine-implemented," the claims are still directed to "a method" and not a machine. A machine may perform the steps of a method, but a method cannot be considered a statutory machine.

The question as to whether or not the method claims constitute a statutory "process" is a more complex one. Under the most recent Federal Circuit cases, transformation of data by a machine (e.g. a computer) is statutory subject matter provided the claims recite a "practical application, i.e., 'a useful, concrete and tangible result.'" State St. Bank & Trust Co. v. Signature Fin. Group, Inc., 149 F.3d 1368, 1373, 47 USPQ2d 1596, 1600-01 (Fed. Cir. 1998) In the instant case, the method claims in question do not expressly or implicitly produce "a useful, concrete and tangible result." Therefore, they cannot be classified as a statutory "process" either. In fact, the claims

cannot be classified into any of the categories of statutory subject matter provided in Section 101. See the grounds for rejection above for a complete analysis of the claimed subject matter under the two-prong test of State St. Bank.

8. Applicant's arguments, see pages 22-24, filed 17 September 2004, with respect to the Section 103 rejections (Issues Relating to Prior Art) have been fully considered and are persuasive in light of applicants' amendments. The rejections of claims 49, 53 and 57 have been withdrawn (See "Allowable Subject Matter" above).

Conclusion

9. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than **SIX MONTHS** from the date of this final action.

Art Unit: 2161

10. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Brian Goddard whose telephone number is 571-272-4020. The examiner can normally be reached on M-F, 9 AM - 5 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Safet Metjahic can be reached on 571-272-4023. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

bdg
23 November 2004


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